

**REMARKS**

Claims 39 and 42-61 are currently pending in the application. Applicants have canceled claims 40 and 41 and amended claims 39, 43 and 45 and 47-48. Applicants request reconsideration of the application in light of the following remarks.

**Telephone Interview**

Applicant's attorney wishes to thank the Examiner for his courtesy and time during a telephone interview that was held on February 11, 2004. The Examiner's comments and insight were very helpful in preparing this response. It is hoped that the comments below reflect the spirit of the interview.

**Rejections under 35 U.S.C. §112**

Claims 45, 46 and 49 stand rejected by the Examiner under 35 U.S.C. 112 for lack of antecedent basis. In accordance with this rejection, the claims have been amended to include antecedent basis for the term "indication" and are now believed to conform with Section 112. Applicants respectfully request that the rejection of claims 45, 46 and 49 under 35 U.S.C. § 112 be withdrawn.

**Rejections under 35 U.S.C. §102**

A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. *Verdegaal Brothers v. Union Oil Co. of California*, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). The identical invention must be shown in as complete detail as is contained in the claim. *Richardson v. Suzuki Motor Co.*, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989).

Claims 39 and 56-57 were rejected under 35 U.S.C. § 102(b) as being anticipated by Giannini (5,915,241). Applicant respectfully traverses this rejection and request reconsideration of the claims.

Claim 39, as amended, recites a processor operating in accordance with software configured to, “access data indicative of the historical payment patterns of the TPP to one or more medical service providers from which a net present value of a future payment by the TPP for the at least one medical service for a patient associated with the TPP may be generated; and generate an indication of the net present value of the at least one medical service based at least in part upon the historical payment patterns of the TPP to the one ore more medical service providers.”

As discussed with Examiners Bleck and Thomas during the telephone conference held on February 11, 2004, the “Relative Value Unit” defined by Giannini and the “relative value” used in applicant’s claim 39 are not the same. To clarify this distinction, Applicant has amended claim 39 as proposed by the Examiner to clarify this distinction. The “Relative Value Unit” of Giannini is a distinction made in the prior art between levels of complexity for particular medical services. *See* Giannini, col. 4, line 47 to col. 5, line 30. For example, a toenail removal would have a much lower Relative Value Unit than a brain surgery. The Relative Value Unit concept applied by Giannini to the alternative medicine field was actually introduced to the medical field in the 1970s. Nevertheless, the Relative Value Unit of Giannini has no relation to the Third Party Payor’s payment history or the net present value of a future payment by a TPP to a current medical service provider based upon that TPP’s payment history patterns. Accordingly, independent claim 39 is allowable over and not anticipated by Giannini. Dependent claims 56 and 57 are allowable over Giannini, among other reasons, for depending from allowable claim 39.

Applicants respectfully request that the anticipation rejections of claims 39 and 56-57 be withdrawn.

**Rejections under 35 U.S.C. §103**

To establish a *prima facie* case of obviousness under 35 U.S.C. §103, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Third, the cited prior art reference must teach or suggest all of the claim limitations. Furthermore, the suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based upon the Applicants' disclosure. A failure to meet any one of these criteria is a failure to establish a *prima facie* case of obviousness. MPEP §2143.

**Claims 40, 42-43 and 45-46**

Claims 40, 42-43, and 45-46 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Giannini (5,915,241). Applicants respectfully traverse this rejection and request reconsideration of the claims.

Claim 40 was canceled, thus obviating the rejection of that claim. Dependent claims 42-43 and 45-46 are allowable over Giannini, among other reasons, for depending from allowable claim 39. The Office Action acknowledges that Giannini does not disclose use of the net present value for use with the evaluation of relative value units, but asserts that it would have been obvious "to ensure profitability for the health care provider" as net present value is a value commonly used in economics. Applicant strongly disagrees.

There is no teaching, suggestion or motivation in Giannini or in the art to generate an indication of a net present value of a future payment by the TPP for a medical service for a patient based upon the payment history patterns of the TPP. If a net present value is calculated in relation to medical practices, and the Office Action has provided no evidence that it is, based upon the blanket statements in the Office Action that "net present value" is a

“value commonly used in economics”, it is likely that the value as applied to medical business would relate to the evaluation of the entire profitability of the business over time and to what the current value of the business would be. To Applicant’s knowledge, net present value has not previously been applied to individual medical service transactions, and prior to Applicant’s efforts a collection of the necessary data to make net present value calculations relating to the individual medical transactions has not been available. There has been no showing by the Office that the art includes any teaching, suggestion or motivation to apply the net present value from economics to give an indication as to what the net present value of a future payment by the third party payor will be if a medical service is provided to that TPP’s patient. There is specifically nothing in Giannini to teach or suggest that application of net present value concepts to individual transactions would “ensure profitability for the health care provider” as suggested in the Office Action. Without the teaching, suggestion or specific motivation to do so, the combination is improper. Accordingly, it would not have been obvious to apply the economic concept of net present value to the disclosure of Giannini. Thus, claims 42-43 are further allowable over and not obvious in light of Giannini.

Applicants respectfully request that the obviousness rejections of claims 42-43, and 45-46 be withdrawn.

#### **Claims 41 and 47-51**

Claims 41, and 47-51 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Giannini (5,915,241) and in further view of Javitt (5,918,208). Applicants respectfully traverse this rejection and request reconsideration of the claims.

Claim 41 was canceled, thus obviating the rejection of that claim. Dependent claims 47-51 are allowable over Giannini in further view of Javitt, among other reasons, for depending from allowable claim 39. The Relative Value Units discussed in Javitt are of the same type of Relative Value Units as are discussed in Giannini, as explained above with

respect to claims 42-43. Javitt, at col. 3, lines 3-42, discusses an expected profit amount based upon RVUs, but this amount is not based upon the payment history patterns of the TPP, or based upon the net present value of the future payment of the TPP for current services. Contrarily, the Javitt calculation relates to overall expected profit based upon large numbers of people in determining whether to accept fixed monthly payments from a TPP for whatever health care the patients will need during that month; the profit being determined based upon the health of the patients, the expected services required by the patients and the monthly amount the TPP pays under the contract. The forecasting of revenues in Javitt is unrelated to whether the TPP has a positive or negative historical payment pattern. Contrarily, the Javitt profit calculations are made under the presumption that the TPP will remain solvent and pay its bills immediately on time. Thus, Javitt does not add any additional motivation to generate an indication of the net present value of a medical service based in any part upon the payment history patterns of the TPP. The combination of the teachings of Javitt and Giannini do not teach or suggest all of the elements of the claims.

Applicants respectfully request that the obviousness rejections of claims 47-51, be withdrawn.

#### **Claims 54-55**

Claims 54-55 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Giannini (5,915,241) and as applied to claim 39, and further in view of Rensimer et al. (5,845,253). Applicants respectfully traverse this rejection and request reconsideration of the claims.

Claims 54-55 are allowable over the combination of Giannini and Rensimer, among other reasons, for depending from allowable claim 39. Applicants respectfully request that the obviousness rejections of claims 54-55 be withdrawn.

**Claim 58**

Claim 58 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Giannini (5,915,241) and as applied to claim 39, and further in view of Joao (6,283,761). Applicants respectfully traverse this rejection and request reconsideration of the claims.

Claim 58 is allowable over the combination of Giannini and Joao, among other reasons, for depending from allowable claim 39. Applicants respectfully request that the obviousness rejection of claim 58 be withdrawn.

**Claims 52, 59 and 60**

Claim 58 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Giannini (5,915,241) and as applied to claim 39, and further in view of Evans (5,924,074). Applicants respectfully traverse this rejection and request reconsideration of the claims.

Claims 52, 59 and 60 are allowable over the combination of Giannini and Evans, among other reasons, for depending from allowable claim 39. Applicants respectfully request that the obviousness rejection of claims 52, 59 and 60 be withdrawn.

**Claims 43, 53 and 61**

Claims 43, 53, and 61 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Giannini (5,915,241) and as applied to claim 39, and further in view of Official Notice. Applicants respectfully traverse this rejection and request reconsideration of the claims.

Claims 43, 53 and 61 are allowable over the combination of Giannini and the Official Notice, among other reasons, for depending from allowable claim 39. Applicants respectfully request that the obviousness rejections of claims 43, 53 and 61 be withdrawn.

**Regarding Doctrine of Equivalents**

Applicants hereby declare that any amendments herein that are not specifically made for the purpose of patentability are made for other purposes, such as clarification, and that no such changes shall be construed as limiting the scope of the claims or the application of the Doctrine of Equivalents.

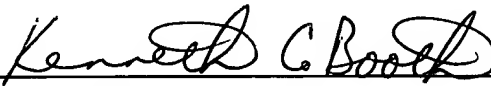
**CONCLUSION**

Applicant respectfully requests that a timely Notice of Allowance be issued in this case.

If any fees, including extension of time fees or additional claims fees, are due as a result of this response, please charge Deposit Account No. 19-0513. This authorization is intended to act as a constructive petition for an extension of time, should an extension of time be needed as a result of this response. The examiner is invited to telephone the undersigned if this would in any way advance the prosecution of this case.

Respectfully submitted,

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